

Economic Development

Agriculture, Department of

- The Governor recommends additional positions (13.0 FTPs): a General Fund position in odor detection; two dedicated funds positions in dairy; and 10 federally funded positions in Animal Identification, water quality and plant grants. The dedicated positions in dairy will provide third party testing of milk for fat and protein content, and disease control and eradication. Seven of the federal fund positions will provide coordination and implementation of a statewide animal identification and premises identification system. Two federal fund positions will address water quality issues in the Salmon and Clearwater sub-basin area, and the remaining federal funds position is a grants program manager.
- State support is recommended in Trustee/Benefit Payments for the Idaho Food Quality Assurance Institute totaling \$80,000 General Fund. Increased industry support is expected in the future.
- The Governor recommends a \$22,000 dedicated funds supplemental for the Idaho Soil Conservation Commission to purchase new software that will significantly improve security and reporting in its loans and grants programs.

Commerce and Labor, Department of

- The Governor fully supports the efforts of the Department to enhance the Rural Grant and the Economic Development Programs. Funding is provided to increase the Rural Grant Program to \$3,600,000 and the Economic Development Program to \$700,000.
- The Governor's recommendation includes the addition of one position (1.0 FTP) to coordinate the state's efforts to enhance access to small business innovative research grants. This program assists small businesses to obtain federal research grants that enable companies to develop innovative ideas into marketable products.
- The Governor recommends one additional position (1.0 FTP) and \$300,000 in grant funding for a TechConnect Program in Idaho. This program will assist high-tech firms to take innovative ideas to the marketplace. TechConnect offices in each region of the state will be coordinated through the Department of Commerce and Labor in order to leverage local efforts to enhance the high-tech industry.

Finance, Department of

- The Governor's recommendation includes funding for six new positions (6.0 FTPs) in order to implement the new Residential Loan Original Licensing Program that was created during the 2004 Legislative Session. This new regulatory program will require nonexempt mortgage loan originators to obtain a license to conduct business in the State of Idaho. These new positions are recommended to ensure adequate and effective implementation and continued regulatory oversight of the new provisions in the Idaho Residential Mortgage Practices Act, *Idaho Code* 26-3101.
- An increase of \$50,000 is recommended for the Department of Finance to establish a Securities Investor Education Fund. The 2004 Uniform Securities Act created a fund to be used to support investor education initiatives to try to help address fraud problems. The agency will work with civic groups, senior centers, educators, etc. to educate the public about investment basics, hold seminars, print materials, etc.
- The Governor's recommendation includes approximately \$290,000 for a reclassification and consolidation of the existing separate classifications of examiners. The agency has been experiencing high turnover of their commissioned bank examiners and needs to be able to more effectively compete and retain quality bank examiners.

Insurance, Department of

- The Governor's recommendation includes a supplemental of approximately \$50,000 in federal funds for the State Health Insurance Benefit Advisor Program in FY 2005. This program educates Idaho citizens on how to understand and analyze their Medicare billing information, as well as being a liaison between providers and beneficiaries

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- The FY 2005 budget included funding for a new prevention and education support position within the State Fire Marshall's Office. The Governor's FY 2006 budget provides funds for a vehicle for this position to access field locations. The Governor's recommendation provides spending authority for an additional deputy attorney general (1.0 FTP) for the Department of Insurance to deal with insurance fraud cases. This position will allow the Department of Insurance to gain consistency in the prosecution of insurance fraud cases.
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- The Governor's recommendation includes funding for an additional position (1.0 FTP) to conduct exams to ensure insurers are treating consumers fairly and are complying with consumer protection standards. The National Association of Insurance Commissioners (NAIC) requires this exam and is part of the accreditation standards.

Industrial Commission

- The Governor's recommendation includes funding for two new positions (2.0 FTPs) in the Crime Victim's Program. Both the customer service representative and claims examiner will process claims, provide customer service, and answer queries from providers and victims. This federally reimbursed program has seen unprecedented growth in recent years.

Self-Governing Agencies

Appellate Public Defender, State

- In an effort to meet the right of effective assistance of counsel established by the 6th Amendment to the U.S. Constitution, the Governor recommends a \$833,700 General Fund supplemental appropriation. This funding will be targeted toward mitigation and investigation in the post conviction phase of the current capital cases to which the State Appellate Public Defender (SAPD) is appointed. In addition to the four capital cases that the SAPD is currently assigned to, two more cases have been added this fiscal year, and there is the high probability that the SAPD will be assigned another two before the fiscal year is over.
- The Governor recommends additional positions (6.0 FTPs) and \$512,700 in General Fund dollars to reduce existing staff caseload in both the Appellate and Capital Units in order to conform to national standards. The current caseload carried by the appellate and capital attorneys is more than twice the amount recommended by national standards and places the SAPD in jeopardy of violating the 6th Amendment requirement of effective assistance of counsel.

Building Safety, Division of

- The passage of Senate Bill 1133 during the 2003 Legislative Session resulted in the creation of the Heating Ventilation and Air Conditioning (HVAC) Program within the Division of Building Safety. Licensing began on July 1, 2004 and permitting inspections will begin on or after January 1, 2005. The Governor's recommendation includes approximately \$550,000 in dedicated funds for implementation of the final phase of the new HVAC Bureau. This was previously an unregulated area with potential public safety problems.
- The Governor's recommendation includes funding for a public relations position (1.0 FTP) in the Public Works Contractor Licensing area. This position will provide educational outreach to both the construction industry and the public sector regarding implementation of the public works contractor and construction manager licensing laws.

Nursing Board

- The passage of House Bill 694 during the 2004 Legislative Session resulted in the creation of the Background Check Program. The Governor recommends an investigator and an office specialist II to be created to implement the program at an ongoing cost of \$85,900. The Governor also recommends \$12,000 ongoing for office space, and \$9,800 one-time for additional furniture and equipment.

Veterans Services

- The Governor recommends an increase of \$200,000 supplemental to meet the needs of the Division of Veterans Services. Supplemental funding is needed to cover unanticipated costs due to increased care levels of residents, increased petroleum costs, and unexpected maintenance/equipment expenditures.
- The Governor's recommendation includes funding for one additional state veterans service officer (1.0 FTP) for the Lewiston office to help address the underserved region.

Transportation

- The Governor's recommendation includes the transfer one position (1.0 FTP) from Motor Vehicles into Aeronautics to provide for an additional pilot to fly the King Air airplane to ensure that two pilots are available to fly at all times. Two pilots ensure a greater level of safety for those flying on the state airplane.
- Federal spending authority in the amount of \$337,100 and state dedicated spending of \$84,200 is recommended to allow additional planning projects according to a recent increase in available federal monies. Also, federal, state, and other spending authority in the amount of \$40,811,300 is recommended to allow for additional contract construction projects according to a recent increase in available federal monies.
- The Governor is proposing legislation to authorize GARVEE (Grant Anticipation Revenue Vehicle) bonding. GARVEE bonding is an innovative debt-financing tool that allows the state to issue bonds to pay for highway projects. This innovative federal/state program allows the state to issue bonds and pay off the principle, interest and other associated costs with future federal highway dollars. GARVEE bonding is used by 14 other states. Bonding allows for the completion of large projects on an accelerated timeline that saves money in the long-run at no additional cost to the Idaho taxpayer. Using GARVEE bonding, the Department can increase efforts to connect the state, improve safety, and provide for economic development.

Education

Education, Office of the State Board of

- The Office of the State Board of Education (OSBE) has undertaken significant new duties and responsibilities. The Governor recommends an additional administrative specialist position (1.0 FTP) to assist OSBE with the implementation of SB 1444, *Idaho Code* 33-5213, dealing with the Charter School Commission, and to provide support to the policy and governmental affairs officer.

College & Universities

- The Governor recommends \$2,745,800 in additional state support to address increased student enrollment. The amount requested for changes in enrollment is calculated on a three-year moving average of weighted resident credit hours.
- A General Fund supplemental of \$993,100 and capital budget maintenance of \$666,900 are recommended for occupancy costs associated with the Idaho State University Performing Arts Center and the University of Idaho Water Center.
- An additional \$581,900 in General Fund is recommended to cover increased utility costs, library books, and periodicals.
- The Governor recommends replacing \$2,773,500 (of which \$1,074,900 is one-time) in endowment funds and student fees needed for maintenance costs with General Fund dollars.

Community Colleges

- The Governor recommends \$656,900 in additional state support to address increased student enrollment. The amount requested for changes in enrollment is calculated on a three-year moving average of total credit hours.

Budget Highlights

Health Programs

- The Governor recommends \$224,100 in General Fund support to address resident student fee and contract adjustments for the graduate medical education programs.
- The Family Practice Residency Program is administered in Boise and Pocatello, and a General Fund recommendation of \$450,000 plus three new positions (3.0 FTPs) will begin to address skyrocketing medical liability insurance costs and reduced support from other sources.

Historical Society, Idaho State

- The General Fund costs of \$752,100 for moving the Idaho Historical Library and the Society's administrative offices to the new Idaho History Center, located adjacent to the current archive storage facility on Old Penitentiary Road, is included in this recommendation. Opening of the Idaho History Center will provide researchers, educators, and students a quality-learning environment for exploring Idaho's rich heritage.

Library, Idaho State

- With the vacancy left by the move of the Idaho Historical Library, the Governor recommends \$61,000 in General Fund dollars for the Idaho State Library to occupy the vacated space. The Idaho State Library will relocate its Talking Book collection to the new space providing easier access to those items by Library patrons.

Professional Technical Education

- Current year growth in the demand for high school and post-secondary vocational education is provided in this recommendation. The growth in high school programs is split between enrollment in traditional programs and increases in professional-technical magnet schools that allow multiple districts to take advantage of high-tech learning environments. Post secondary enrollment increases are driven by the increased need for trained professionals in the areas of health professions, computer equipment repair, and legal and educational aids.

Public Broadcasting, Idaho

- The conversion to digital studio equipment is recommended in the Idaho Public Television budget. This conversion will allow antiquated analog equipment to be replaced with digital in the production studios of the agency. The conversion to digital capabilities began in FY 2001 with the replacement of the north/south microwave system and continued into FY 2003 with the replacement of transmitters. Funding is provided for the first of three phases necessary to convert all studio equipment to digital capability. This first phase will include replacement of equipment in the primary production studio in Boise.

Public School Support

- *Idaho Code 33-1004E* establishes the base salaries for public school teachers, administrators and support personnel. The Governor recommends a 1% base salary increase for each of these various categories of public school employees. This change will increase General Fund costs by \$8,138,900.
- The statute related to a floor allocation to high market property value districts is recommended for repeal. This action would save approximately \$1,300,000 that now goes to the richest school districts in the state.
- The allocation for base salary for teachers and administrators is adjusted by a provision for education and experience. The increase in the education and experience indexes for both teachers and administrators is funded at 50% of the request. This will increase General Fund support by \$52,300 for administrators and \$2,267,500 for teachers.
- The Governor recommends \$5,348,400 in General Fund support for district discretionary spending. This represents an increase in overall state funding by over \$900,000 after reductions in endowment fund payouts are considered. The overall funding per support unit will increase from \$24,450 to \$24,779 with this recommendation.
- The total number of support units is expected to increase from 12,925 to 13,100. Increases for support unit growth are fully funded in the recommendation. The cost of the increase in support units equates to

\$10,848,000 in General Fund support for FY 2006. All of the amounts recommended are for the salaries and benefits of teachers, administrators, and support personnel.

- The Governor recommends General Funds in the amount of \$2,347,700 for the increased costs of transportation in both the home-based virtual and traditional public schools. FY 2006 will be the first year in which transportation costs are addressed for home-based virtual schools in this area of the budget.
- No funding is recommended for Idaho Student Information Management Systems (ISIMS) based on the decision by the J.A. and Kathryn Albertson Foundation to halt the project at the end of the current fiscal year.
- The Bond Levy Equalization Program provides interest subsidies on bonds passed by local school districts. The subsidies are based on the economic conditions of the district and range from 10% to 100% of the interest on the bond. The Governor recommends that the \$5,000,000 Bond Levy Equalization Program be funded with lottery proceeds for FY 2006. Increases in dividends and carryover funds make this recommendation possible.
- The budget includes \$1,000,000 of funding for training of teachers to address the special needs of children with disabilities who are participating in educational programs in classrooms with non-disabled students. This recommendation restores funding to the FY 2004 level.
- One-time funding of \$9,000,000 is recommended for school technology. The Governor encourages the Idaho Council for Technology in Learning to target the funds toward enhancing district network capabilities and to replace obsolete equipment.

Vocational Rehabilitation

- The Governor's recommendation provides funding for the costs associated with the transfer of the Community Work Services Program from the Department of Health and Welfare. Start-up costs are temporarily transferred from Trustee/Benefit Payments to address this one-time need.

General Government

Administration, Department of

- The State of Idaho acquired the Borah Post Office from the federal government in FY 2005. The Governor's recommendation includes an increase in the Facilities Services budget of \$90,000 from receipts income for annual operating expenses of the building. The acquisition provides the opportunity to consolidate outlying government entities further streamlining state government and reducing the overall rental expense.
- The Governor's recommendation includes \$900,000 in ongoing funding for operating expenses for elected officials' rent. The agency received reduced funding during the past couple of years due to General Fund holdbacks. The reduction in funding has resulted in deferred maintenance and repair items throughout state buildings. In addition to the declining condition of buildings, the reduced General Fund dollars has resulted in federal penalties currently estimated to be \$1.8 million to be paid back in FY 2007. This funding will partial reduce other state agencies subsidizing the rental expenses for elected officials.
- The Governor's recommendation includes a proposal to redirect cigarette tax proceeds to the Permanent Building Fund to provide increased funding for deferred maintenance of existing buildings and new construction projects. This redirected revenue stream will also provide funding for debt service payments for bonds to be issued by the Idaho State Building Authority to complete the renovation of the capitol building and annex. This redirection will provide approximately \$20 million for FY 2006.
- The Permanent Building Fund budget includes \$20 million for alteration and repair projects, \$800,000 for Americans with Disabilities Act compliance projects, and \$400,000 for asbestos abatement projects. The Governor also recommends funding for new construction projects: rehabilitation of the Blind Commission's existing facility, Park's Regional Operations Center at Ponderosa Park, the Historical Society's Museum expansion (the design phase was the only component included), and the renovation of the capitol building and annex.

Budget Highlights

Controller, Office of the State

- Although the Governor defers the decision on enhancements requested by elected officials to the Legislature, he does support the State Controller's effort to improve data access and utility for our state agencies through the business intelligence and online payroll projects.

Governor, Executive Office of the Aging, Commission on

- The Governor's recommendation includes \$250,000 in General Fund dollars to enable the Area Agencies on Aging to increase services and replace lost funding in prior years for services to elderly Idahoans in the Homemaker, Home Delivered Meals, Respite, and Transportation Programs administered by the Commission on Aging. The increased funding will help make up for significant funding lost during holdbacks, reduce waiting lists for services, restore core services previously eliminated due to inadequate funding, address the growing demand for services due to a rapidly growing population of elderly individuals, and provide inflation adjustments for services experiencing cost increases.

Blind and Visually Impaired, Commission for the

- The Governor recommends \$346,000 for new computer programming, network servers, and agency information system. The current 16-year-old system is archaic and not supported by most current software and hardware manufacturers. Additionally, the system has become less and less accessible to the Commission's blind staff. These factors make the system both extremely costly and time consuming to function and maintain.

Liquor Dispensary

- The Governor's recommendation provides for six additional liquor store clerks (6.0 FTPs) in order to operate stores that are now authorized to be open for Sunday sales with local county option approval. Profits are expected to increase significantly, providing ample funding to cover this request.
- Funding is also recommended to open two additional state stores to accommodate growth in Ada and Bannock counties. Funding provides for necessary operations costs and a total of four additional positions (4.0 FTPs): two additional liquor store managers and two additional liquor store clerks.

Military Division

- Funding includes \$100,000 to support the Idaho Military Division's Tuition Assistance Program for those wishing to obtain a college education. The program originally totaled \$200,000, but due to budget reductions in FY 2003, the program was reduced by \$100,000. In FY 2004, the Military Division reimbursed \$155,300 to 642 participants. Federal funding was provided last year to offset the shortfall, but will not be available in FY 2006, hence the need for the restoration of this funding. There continues to be a number of soldiers and airmen who participate in this Tuition Assistance Program and the National Guard considers this program an effective recruiting incentive.
- A total of \$40,000 in one-time funding is included in the Governor's recommendation for repairs and maintenance costs for the Idaho Military Historical Museum. The Idaho State Constitution requires the adjutant general to preserve historical military records and memorabilia.

Office of Species Conservation

- The Governor's recommendation includes \$82,900 in General Fund dollars to add an invasive species coordinator to this Office. This position will serve as the initial point of contact for reporting and identifying invasive species throughout the state. It will also coordinate appropriate and timely response among state agencies and track follow-up activities.

Public Employee Retirement System

- In FY 2005, the Public Employee Retirement System received one-time dedicated funds totaling \$2.8 million for a redesign of work flow and business processes in order to more effectively use current staff and available technology. The Governor's recommendation includes approximately \$35,000 for reclassification of existing position for the final implementation phase of this plan. The agency is moving

from a segregated, specialized system to a call center model with cross training in all positions. The new organization structure will strive for a one-stop shop approach enabling a client to get the information they need with just one phone call.

- The Governor's recommendation does not include a rate increase for FY 2006, saving approximately \$6 million in General Fund. This savings was due to improved market performance and increased contributions during FY 2005, which greatly reduced the unfunded liability. *Idaho Code* Section 59-1322 states the unfunded liability cannot exceed 25 years, at which time the Board will need to take steps to decrease the unfunded liability.

Tax Commission, State

- In FY 2002, the Tax Commission implemented a new tax processing system called GenTax. Microsoft is making fundamental changes to the underlying software and the current version of GenTax that the Commission is running is two versions behind. In order to incorporate the Microsoft changes and to increase the audit and collection capabilities of the system, the Governor's recommendation provides \$875,000 for a partial upgrade to the dot net version of the GenTax software.

Health and Human Services

Catastrophic Health Care

- The mission of the Catastrophic Health Care Program is to meet the needs of the medically indigent in the State of Idaho who do not qualify for state or federal health and welfare programs, but do qualify for county assistance. Each county is responsible for the first \$10,000 in medical bills incurred by the indigent resident of that county in any 12-month period. The Catastrophic Health Care Program is responsible for medical bills during that 12-month period that are in excess of \$10,000. A supplemental of \$1,975,000 (\$700,000 General Fund, \$275,000 dedicated fund) is recommended for FY 2005 to meet the projected caseload. Of this funding, \$850,000 General Fund and \$275,000 dedicated fund is recommended to be ongoing in FY 2006.

Health and Welfare, Department of

- The Governor recommends a \$3.5 million supplemental for additional social workers (15.0 FTPs) to accommodate the significant growth for child protection services, related foster and residential care. This funding will address the Department's needs and enable them to work to provide the necessary safety, permanency, and well being of children.

The Child Welfare League of America recommended caseload standards for Child Protective Services as follows:

- Initial Assessment/Investigation – 12 active cases per month, per one social worker.
- Ongoing cases – 17 active families per one social worker and no more than one new case assigned for every six open cases.
- Combined Assessment/Investigation and Ongoing Cases – 10 active ongoing cases and four active investigations per one social worker.
- Supervision – one supervisor per five social workers.

The recommended caseload standards for family foster care services are as follows:

- Foster Family Care – 12-15 children per 1 social worker
- Supervision – one supervisor per five social workers.

As of July 1, 2004, the statewide caseload averages were as follows:

- Initial Assessment: 50-100% higher than the standard recommendations.
- Combined initial assessments and ongoing services: 42% of the caseloads higher than the standard recommendations.

Ongoing services to families opened for services and support after the assessment: 30% of the caseloads higher than the standard recommendations.

The results of high caseloads lead to staff not meeting the outcomes and minimal standards of seeing a child and family one time per month, which can affect child safety and lengthen the time a child spends in foster care. High caseloads make it difficult to do concurrent planning with families working

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on reunification and at the same time working an alternate permanency option such as guardianship or adoption. Idaho is out of compliance with the national standards on achieving adoptions and alternate permanency plans for a child within 24 months.

- The Governor recommends a \$1.3 million supplemental for additional self reliance workers (43.0 FTPs). The positions will address the numerous challenges in eligibility determinations and accuracy in programs such as Food Stamps, Medicaid, Children's Health Insurance Program (CHIP), and Child Support. Unacceptable error rates in these programs put the state at risk of substantial federal fines.
- The Governor's recommendation provides \$1.5 million for additional child support caseworkers (25.0 FTPs). In the last four years, the Child Support Program has had a 33% caseload increase, while staffing has decreased by 28%. As a result, current staff cannot sufficiently address the caseload. This funding is 34% General Fund and 66% federal funds.
- The Governor recommends additional IT positions (41.0 FTPs) to replace an equal number of current state contractors to achieve an overall savings to taxpayers. Once the positions are implemented, the overall Department savings will be \$1.9 million.
- The Governor recommends \$2 million General Fund for additional children's mental health positions (13.5 FTPs). These positions will provide support services to children and their families. These positions also demonstrate necessary measures in satisfying the Jeff D. lawsuit.
- The Governor's recommendation provides an increase of 4% to enhance the rate of reimbursement to family foster and residential care providers. The increase is intended to bring the state's foster care payments to a level that is more in line with the national average and comparable to that of other states.

State Independent Living Council

- The Governor recommends that \$52,000 previously provided to the Council by the Idaho Commission for the Blind be replaced with General Fund dollars. This will allow the Idaho Commission for the Blind to retain those resources for necessary services for visually impaired citizens. The replaced funding to SILC will enable the Council to continue to provide its core services: promotion of independent living, peer-support, self-help, self-determination, equal access, and integration of individuals with disabilities into mainstream society.

Public Safety

Correction, Department of

- The Governor recommends additional positions (32.0 FTPs) and supplemental appropriations in the amount of \$5.4 million, of which \$5.2 million is General Fund dollars. Of the \$5.4 million, \$2.7 million is recommended to pay for county contract beds, and another \$964,700 is to pay for the additional medical contract services related to the additional beds. The purpose of the recommendation is to provide funding for additional beds, staff, and Operating Expenditures to manage the increase in the population committed to term over the past year and to offset the costs associated with managing the spike in the retained jurisdiction population this past summer.
- A shift of \$304,000 and 4.66 FTPs in federal funds to the General Fund is recommended due to the loss of the Residential Substance Abuse Treatment grant. Continued funding is critical to maintain substance abuse treatment programs at the Idaho Correctional Institution-Orofino and the South Idaho Correctional Institution.
- General Fund dollars totaling \$2 million and additional positions (30.0 FTPs) are recommended for the expansion of the South Boise Women's Correctional Center by 136 beds. This facility is needed since the female population is projected to grow at twice the rate of the male population and because 46.5% of incarcerated females have substance abuse related issues compared to 30.7% of the male incarcerated population. This expansion will allow the Department to accommodate growth, provide programs and services directed at positively changing criminal behavior, and establish a Therapeutic Community designed to prepare offenders with long-term substance abuse and criminal behavior for re-entry into the community.

- The Governor recommends additional positions (12.0 FTPs) and \$1.4 million in General Fund dollars for the construction, staffing, and operation of a 100-bed sprung structure to accommodate current and projected growth in the male term population. The sprung structure is a stressed membrane structure that provides semi-permanent solutions to overcrowding at a fraction of the time and cost of conventional construction. This structure will be utilized at the Idaho State Correctional Institution and will house medium security offenders.
- A total of \$250,000 in dedicated funding is recommended for formal Intermediate Sanction/ Revocation Facilities. The facilities will utilize bed space in two existing Community Work Centers, one of which will set aside 15 male beds and the other 8 female beds. The program will provide a short-term alternative to long-term incarceration for a select group of probation and/or parole violators who do not require the structure or control of a long-term correctional facility. Without the program, this targeted population will spend an average of 12 months in Idaho prisons. It is estimated that this program will free up 90 prison beds and will, simultaneously, contribute to an increase in inmate labor fees.
- The Governor recommends \$761,600 in dedicated funding and additional positions (14.0 FTPs) for the Community Supervision Program. This recommendation includes nine probation and parole officers, three pre-sentence investigators, and two financial support technicians. Additional staff is needed to offset the continued supervised offender growth in community corrections, which is expected to increase 6.4% over anticipated FY 2005 levels. This growth will represent an increase of approximately 650 offenders being supervised on probation and parole.

Juvenile Corrections, Department of

- A General Fund supplemental appropriation totaling \$125,000 is recommended to pay for the Department's half of attorney fees and costs related to the Jeff D. lawsuit, as well as future costs related to this lawsuit. The Department anticipates that a compliance hearing will be scheduled and a special master assigned to oversee the completion of noncompliance items associated with the Jeff D. lawsuit.
- The Governor recommends a shift in funds from the endowment fund to the General Fund totaling \$241,200 due to a loss in endowment funding. The Department needs to restore the loss of endowment funding to maintain operations at the current level. Without this fund shift, the Department will have to reduce beds in state facilities or within contract provider facilities.
- A shift of 2.75 FTPs and \$155,700 to the General Fund is recommended due to congressional elimination of federal funding associated with the Residential Substance Abuse Treatment (RSAT) grant. Without this shift, substance abuse treatment in the Juvenile Correctional Centers in Lewiston and Nampa will be eliminated. The result would be that 50% of the juveniles in the Department's custody would not have their substance abuse needs addressed.

Idaho State Police

- The Governor's recommendation includes \$425,100 in General Fund dollars and \$795,500 in dedicated fund dollars for the Patrol Program for the replacement of 25 vehicles, three motorcycles, 10 mountain top repeaters, 73 radars, and patrol vehicle equipment. It also includes \$229,600 in General Fund for the replacement of eight vehicles for the Investigations Program. This equipment is necessary to maintain current operations in the patrol and investigative functions.
- The recommendation provides \$69,300 in General Fund dollars to pay for an additional deputy attorney general to assist with an increasing caseload associated with the Alcohol Beverage Control Program and with drug related forfeitures of real and personal property.
- A total of \$325,000 in federal funding and two new positions (2.0 FTPs) are recommended for the payment of a college education for up to 12 Idaho students per year to attend a 24-week police academy, provided they are willing to commit to four years of police work upon graduation. The two positions will be responsible for coordination of the program and recruitment and selection of college graduates.
- The Governor's recommendation provides \$1,219,700 for the maintenance, operations, and occupancy costs associated with the new Peace Officers Standards and Training (POST) Correctional facility. The facility will be utilized to train all pre-service Department of Correction employees. Funding will be generated from a 4% increase in the General Fund diversion amount to POST and a \$4 increase in the POST fee. The facility will be used to train all pre-service Department of Correction employees.

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- The Governor recommends \$43,300 in federal funds for an additional staff support (1.0 FTP) for the Bureau of Criminal Identification. This position is needed due to the increase in demand for background checks.

Natural Resources

Environmental Quality, Department of

- The Department received an additional \$2.3 million in ongoing federal and other funds during FY 2005. Most of the money is to expand the Coeur d'Alene Basin cleanup activities. This includes two positions (2.0 FTPs). An additional position (1.0 FTP) is funded by the Burlington Northern Santa Fe Railroad to perform regulatory oversight of two above ground fuel storage tanks that have been built by the Railroad on the Rathdrum Prairie. Another position (1.0 FTP) is funded by the EPA to work on the National Environmental Information Network.
- The Governor's recommendation includes \$85,900 in General Fund for an additional position (1.0 FTP) to be added in FY 2006. This position will coordinate and manage implementation of an updated Coeur d'Alene Lake Management Plan with the numerous other responsible governments, agencies, organizations, and interest groups.
- The Governor also recommends that the Coeur d'Alene Basin Commission be reflected as a separate budgeted program beginning in FY 2006. He also recommends that a new accounting detail be established to provide Idaho's 10% match obligation and long-term operations and maintenance for the Coeur d'Alene Basin. A total of \$1.5 million is requested to be transferred from the Water Pollution Control Fund into this new Environmental Remediation Fund each year.

Fish and Game, Department of

- The Department's budget request is predicated on the assumption that the Legislature will increase fish and game license fees 13.7% effective July 1, 2005. The Governor's recommendation is based on the current fee structure. In order to keep the budget within current funding levels, the Executive Budget has removed all \$1.2 million in license-funded enhancements. It has also reduced the Department's request for license-funded replacement Capital Outlay from \$4.0 million to \$3.0 million. Should the Legislature and Governor approve an increase in fees, the Governor will revise his budget recommendation.
- The Governor's recommendation contains \$2.0 million in non-license dedicated, federal and other fund enhancements. This includes \$355,000 for anadromous fish screens, \$305,000 for two positions (2.0 FTPs) to implement a statewide wolf management plan, and \$218,900 for additional boating and fishing access.

Lands, Department of

- The Department received an additional \$3.5 million in federal funds during FY 2005. Most of the money is Trustee/Benefit Payments for the Forest Legacy Program. A small amount (\$53,700) is being used to convert two temporary positions into permanent full-time positions. One is to address a potential Asian Gypsy Moth problem. The other is to oversee an expansion of the Hazardous Fuels Treatment Program.
- The Governor recommends a \$4.4 million General Fund supplemental to reimburse the Fire Suppression Deficiency Warrant Fund for calendar year 2004 fire fighting costs.
- A total of \$277,400 in dedicated funds is recommended for four enhancements. It includes \$96,000 to expand the Eastern Idaho Field Office in Idaho Falls, \$50,000 to obtain professional service contracts for auditing mineral lessees, \$90,000 to pay for land sales costs of endowment property, and \$41,400 for additional equipment.

Lava Hot Springs Foundation

- The Governor's recommendation includes \$400,000 in dedicated funds to enclose the 25-yard swimming pool and remodel the dressing room building at the Olympic Swimming Complex. Enclosing the pool will allow for development of year round activities and meet ADA accessibility standards. The FY 2006 budget also includes funds for construction of a reunion shelter to provide public access to healthful, clean, and inviting facilities for recreation and healing purposes.

Parks and Recreation

- The Governor's recommendation includes funding for a new information systems help desk position (1.0 FTP) to address the increasing demands on existing staff and provide more efficient customer service to outlying regions. The agency has been extremely proactive in the use of automation and new systems to increase efficiency and provide services to the citizens of Idaho. For example, the new on-line reservation system went live in FY 2005 and allows people all over the world to make a reservation in any of Idaho State Parks. These advances in automation have resulted in the need for additional IT support.
- There is also an increase in dedicated funding for expanded park services and recreation opportunities in the state parks. The Governor has provided funding for new equipment to maintain operations and seasonal positions for the Lost River Recreation Trail. The increase in staff and operation resources is being fueled by visitor demands, as well as increased revenues generated by renting cabins, campsites, yurts, and day and group use facilities.
- The Governor's recommended budget moved the agency request for a Regional Operations Center in Ponderosa Park to the Permanent Building Fund in the Department of Administration. General Fund dollars were appropriated in FY 2002 to acquire holdings within Ponderosa State Park. The site now needs to be developed with facilities that would meet public demand and provide the agency with a Regional Operations Center.

Water Resources, Department of

- There is \$456,400 in one-time Water Pollution Control Funds to pay the third and final installment for water right licenses and associated minimum stream flow claim-filing fees. This represents part of the remaining state's instream flow water rights to be adjudicated in the Snake River Basin Adjudication process. The total claim filing fee is \$1,521,200.
- The Governor's recommendation provides \$285,800 in General Fund and \$52,200 in dedicated and other funds to annualize the ongoing lease purchase costs at the University of Idaho Water Center. The Department moved into the Center in October 2004.
- The Governor recommends \$244,700 in General Fund to shift two positions (2.0 FTPs) and Operating Expenditures from the Water Administration Fund back to the General Fund. These positions were originally funded from the General Fund but due to budget problems were shifted to the Water Pollution Control Fund back in FY 2003. They were shifted to the Water Administration Fund for FY 2005 as a General Fund cost saving measure at that time.
- The Governor recommends \$96,700 in General Fund to reestablish the hydrology section manager position that was converted to a technical hydrologist in order to hire an additional ground water modeler in FY 2005.
- The Governor's recommendation provides \$25,900 in General Fund to hire a senior water resource agent during the start-up period for the Upper Salmon Water District from April through June 2006. Full-time funding for this position will be required in FY 2007, although the source of those funds is yet to be determined.
- The Governor's recommendation provides \$100,000 in dedicated funds to prepare and issue a request for proposals for completion of new well construction rules for the state.
- The Governor's recommendation provides \$43,100 in other funds to create a water measurement district in the Bear River Basin for the purpose of measuring ground water diversions that have not been decreed or are not currently administered by a water master.

Millennium Fund

- The Governor recommends \$1,929,000 in millennium funds to fund programs with a tobacco prevention, cessation, and treatment emphasis. Funding is recommended for tobacco counter marketing (\$500,000), smoking cessation programs (\$515,000), youth courts and status offender programs (\$270,000), and youth tobacco investigations (\$94,000). Funding in the amount of \$550,000 is also provided to reduce county deductible payments in caring for indigent persons with tobacco-related cancers and respiratory diseases.